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SENATE BILL 3221

By Carter

AN ACT to amend Chapter 101 of the Private Acts of 1993; and any other acts amendatory thereto, the same being the charter of the City of Jackson, Tennessee.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Section 12(13) of Chapter 101 of the Private Acts of 1993, and all acts amendatory thereto, is hereby amended to delete the punctuation at the end of the first sentence thereof and adding the following:

and by resolution pledge the full faith and credit and unlimited taxing power of the city as guarantor to the payment of the principal of, premium, if any, and interest on any bonds, notes or other obligations issued by any political subdivision of the state or any governmental agency, authority or instrumentality for the purpose of providing any such utility or service to the city and those therein pursuant to any such contract, together with any other obligations incurred in connection with the issuance of said bonds, notes or obligations, including obligations to pay any tender price for bonds, obligations under any letter of credit reimbursement agreement, or payments under any interest rate exchange agreement. Prior to entering into any such guaranty, the city shall proceed according to the procedure set forth in Sections 9-21-205 through -212 as if it were

issuing general obligation bonds. In the event of any such pledge of full faith and credit and unlimited taxing power, any holder or owner of any of the bonds, or any other person to whom the city may become obligated under the guaranty, shall have the right, in addition to all other rights, by mandamus or other suit, action or proceeding to enforce such holder's rights against the city as fully as under any other general obligation pledge.

SECTION 2. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 3. This act shall have no effect unless it is approved by a two-thirds (2/3) vote of the legislative body of the city of Jackson. Its approval or non-approval shall be proclaimed by the presiding officer of the legislative body of the city of Jackson and certified to the secretary of state.

SECTION 4. For the purpose of approving or rejecting the provisions of this act, it shall take effect upon becoming law, the public welfare requiring it. For all other purposes, it shall become effective upon being approved as provided in Section 3.